



May 21, 2019

Item No. 2

**RECOMMENDATION TO APPROVE AN INTERGOVERNMENTAL
AGREEMENT WITH THE CITY OF CHICAGO FOR FUEL SUPPLY AND FLEET
MAINTENANCE**

Presenter: Darlena Burnett, Deputy Chief, Fleet and Facilities Management

RECOMMENDATION:

The Chief Executive Officer recommends that the Board of Commissioners of the Chicago Housing Authority approve an Intergovernmental Agreement (IGA) with the City of Chicago Department of Fleet and Facility Management (Fleet) for fuel supply and vehicle maintenance, car wash, road and towing services to the CHA for a five (5) base term effective July 1, 2019 through July 31, 2024 and for compensation in an amount not-to-exceed \$250,000.00.

In association with the requested approval for a new contract renewing the fuel and fleet service amenities under the same general terms and conditions, the CHA additionally seeks the Board's formal approval and ratification of the short-term extension of the prior IGA (Contract #11386). The short-term extension of the prior IGA was for time only, and covered the term from January 1, 2019 through June 30, 2019, as no additional funding was deemed necessary to continue the provision of supplies and services without interruption through the date of the anticipated commencement of a new IGA.

The Board action recommended in this item complies in all material respects with all applicable Chicago Housing Authority Board policies and all applicable federal (HUD) procurement laws.

FUNDING

CHA General Fund

BACKGROUND

CHA's most recent prior IGA for these fleet supply and service amenities (Contract #11386) was authorized by the Board in November 2013 for a two (2) year base term with one (1) 3-year option to renew the Agreement and with total compensation in an amount not to exceed \$250,000.00.

The prior Intergovernmental Agreement was entered into to enable the CHA to fuel, maintain and service its vehicles used for official CHA business. The CHA exercised the available option term under Contract 11386 and then executed a short-term extension of the prior IGA on a "Time-Only" basis for

six (6) months to continue the arrangements until replacement supply and services could be secured under a new contract. Under this renewed arrangement, Fleet provides fuel supplies and vehicle maintenance, car wash, road and towing services for CHA vehicles at the established Fleet rate(s).

While the CHA has closely monitored the prevailing fuel prices in the private market as they compare with those of Fleet, it is determined that the prices extended to the CHA by Fleet remain considerably lower than those available to the CHA in the private market. The cost of unleaded and diesel fuel at a cost of \$1.95 cents per gallon is lower than that if the CHA procured such fuel supplies and services outside of the IGA relationship with Fleet. The price of car washes @ \$7.00/per wash through the Fleet vendor has remained constant; the need for maintenance and towing services, while all inclusive, is minimal to none, and is flexibly utilized on an as-needed or emergency basis.

Respectfully Submitted,

Darlena Burnett
Deputy Chief, Fleet and Facilities Management

RESOLUTION NO. 2019-CHA -

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated May 21, 2019, entitled "Recommendation to Approve an IGA with the City of Chicago for Fuel, Vehicle Maintenance, Car Wash, Road and Towing Services" for a five-year base term with compensation in the not-to-exceed amount of \$250,000.00.,

**THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE CHICAGO
HOUSING AUTHORITY**

THAT the Board of Commissioners authorizes the Chief Executive Officer or his designee to enter into an Intergovernmental Agreement with the City of Chicago Department of Fleet and Facility Management for fuel supplies and vehicle maintenance, car wash, road and towing services for CHA vehicles for a five-year base period in an amount not-to-exceed \$250,000.00. The Board of Commissioners further approves and ratifies the six (6) month extension of the prior Fuel and Fleet IGA (Contract #11386) to effect and ensure continuity from the prior contract through the commencement of the new IGA.

This award is subject to the Contractor's compliance with the CHA's MBE/WBE/DBE/Section 3 hiring and insurance requirements, if applicable.

Eugene E. Jones, Jr.
Chief Executive Officer
Chicago Housing Authority